



California Public Utilities Commission

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PRESS RELEASE

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CPUC MODERNIZES AND EXPANDS CALIFORNIA LIFELINE PROGRAM

SAN FRANCISCO, Jan. 16, 2014 - The California Public Utilities Commission (CPUC) today approved an Assigned Commissioner Proposed Decision for which Catherine J.K. Sandoval is the lead Commissioner that adopts revisions to the California LifeLine Program, which provides discounted telephone services to eligible California households and will now include wireless services. CPUC Commissioner Sandoval said, "This decision makes 21st century technology affordable and accessible for low income Californians. It gives LifeLine-eligible Californians new wireline and wireless options to connect to employers, schools, businesses, and social services through voice, text, or data. Our California LifeLine program is a game changer that will allow low income subscribers to transform ideas into enterprises."

Wireless LifeLine as authorized by today's decision, will enable eligible low income Californians to access wireless voice, text, and data services, launching a transformative opportunity for California's low income residents. The decision provides \$5.75 in reimbursement to the LifeLine carrier from the California LifeLine fund when an eligible subscriber chooses a wireless plan that offers between 501-999 minutes, which could be matched with the federal Lifeline funds of \$9.25. The decision offers \$12.65 a month to the LifeLine carrier for eligible subscriber participation in wireless plans that offer 1,000 minutes per month or more. When coupled with federal funds, the \$22.40 in monthly support envisioned by the decision for plans offering 1,000 minutes or more increases by orders of magnitude the affordability of robust voice, text, and data plans. These thresholds incentivize carriers to provide sufficient minutes to help LifeLine subscribers communicate and connect with employers, family and friends, service providers, and public safety.



“Our decision today brings relevance back to LifeLine. Eligible customers will now have a choice to select what makes the most sense to them,” said CPUC President Michael R. Peevey. “In addition to voice communications, cell phones offer the ability to send and receive text messages. If a person is moving from place to place, a landline phone does not make sense. If a person needs help outside of the home, a cell phone can be used to get assistance.”

Added Commissioner Carla J. Peterman, “This decision represents an important step in modernizing the California LifeLine program by expanding benefits to wireless carriers to reflect the changing telecommunications landscape.”

For Californians for whom service inside the home is important, the decision ensures they will continue to be able to choose affordable and reliable wireline LifeLine that provides unlimited incoming calls, unlimited outgoing local calls, and unlimited calls to 800 numbers, 211 (to connect to social services), 311 (local government services), and other resources. It also supports in-language customer assistance when the LifeLine service is sold or marketed in a language other than English, critical help for Californians from diverse backgrounds.

To prudently manage the California LifeLine fund, the decision freezes the reimbursement amount available to LifeLine carriers, the Specific Support Amount, to \$12.65 a month per eligible enrolled subscriber until June 30, 2015. Similarly, the price the enrolled LifeLine subscriber pays for wireline LifeLine is frozen at \$6.84 until June 30, 2015, for flat rate service, and \$3.66 for measured rate service.

The LifeLine decision initiates a process to restore California LifeLine accessibility to eligible low income Californians who do not have a Social Security Number (SSN) due to the Federal Communications Commission’s (FCC) requirement that applicants for federal Lifeline provide the last four digits of their SSN. The decision authorizes the CPUC’s Communications Division to request a waiver from the FCC of the SSN requirement for access to federal Lifeline in light of California’s strong LifeLine program management rules and computer database that deters fraud and catches duplicate claims before LifeLine service is authorized.

For this proceeding, the California LifeLine program adopted in today's decision had the benefit of important contributions from more than 350 Californians in eight Public Participation Hearings that the CPUC held throughout the state last summer.

For more information on the CPUC, please visit www.cpuc.ca.gov.

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